



CITY OF SAN ANTONIO  
**NEIGHBORHOOD & HOUSING  
SERVICES DEPARTMENT**

March 19, 2021

Rep. Philip Cortez  
Chair, House Committee on Urban Affairs  
P.O. Box 2910  
Austin, Texas 78768

**Re: H.B. 1295- Relating to the allocation of housing tax credits to developments within proximate geographical areas**

Dear Representative Cortez:

I am writing in support of H.B. 1295, referred to your committee on March 4, 2021. Especially, the ability for the governing body of the municipality containing a development to waive the 2-Mile, Same Year Rule via Resolution.

It is important cities can accommodate their rapidly growing population with an adequate supply of affordable units, and we believe the current two-mile same year rule impedes this process. Newcomers of all incomes need to be able to live near jobs. The two-mile same year rule has limited the ability of large cities in Texas (with the exception of Houston) to support highly qualified developments that have the potential to significantly benefit the immediate area and the City as a whole.

In practice, this rule has caused developers to compete over the support and delay development, essentially negating the intent of the section. Having to wait two years between developments can create an unnecessary bottle neck in areas where there is a high demand for affordable housing and a concentration of jobs. We share TDHCA's desire not to concentrate poverty, but as developments increasingly tend towards mixed-income, we believe two developments can be in close proximity without concentrating poverty.

The addition of Proximity to Jobs points in the 2020 QAP has made more areas of the city competitive. With more areas of the city becoming competitive, blanket de-concentration rules are less necessary. Growing cities know their local landscape best and should be empowered to waive this rule if it is in the best interest of the city. If a city believes too many projects are concentrated in one area, they may choose not to issue Resolutions for certain projects, or may choose not to waive the rule.

Cities should be trusted to waive this de-concentration rule, as they deem appropriate, in the same way that they are able to for the 1-Mile, 3 Year Rule and the 20% of Housing Units Supported by Housing Tax Credits Rule.

Regards,

A handwritten signature in black ink, appearing to read "R Soto".

Verónica R. Soto, FAICP  
Director, Neighborhood and Housing Services Department  
[Veronica.Soto@sanantonio.gov](mailto:Veronica.Soto@sanantonio.gov)  
210-207-6620